

Message Text

LIMITED OFFICIAL USE

PAGE 01 GENEVA 10445 01 OF 02 101938Z
ACTION STR-07

INFO OCT-01 ARA-10 EUR-12 EA-10 IO-13 ISO-00 STRE-00
AGRE-00 CEA-01 CIAE-00 COME-00 DODE-00 EB-08
FRB-03 H-01 INR-10 INT-05 L-03 LAB-04 NSAE-00
NSC-05 PA-01 CTME-00 AID-05 SS-15 ITC-01 TRSE-00
ICA-11 SP-02 SOE-02 OMB-01 DOE-15 /146 W
-----076277 102030Z /75

P 101911Z JUL 78
FM USMISSION GENEVA
TO SECSTATE WASHDC PRIORITY 1848
INFO AMEMBASSY BERN
AMEMBASSY BRUSSELS
AMEMBASSY HELSINKI
AMEMBASSY MEXICO
AMEMBASSY OSLO
AMEMBASSY OTTAWA
AMEMBASSY STOCKHOLM
AMEMBASSY TOKYO

LIMITED OFFICIAL USE SECTION 01 OF 02 GENEVA 10445

USMTN USEEC

STR FOR ACTION

STR PASS CODEL

E.O. 11652: N/A
TAGS: MTN, ETRD
SUBJECT: LICENSING PLURILATERAL - 6 JULY

REF: (A) GENEVA 9353

1. AS FOLLOW-UP TO MEETING REPORTED REFTTEL,
PLURILATERAL GROUP RECONVENED TO CONTINUE DISCUSSION
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 GENEVA 10445 01 OF 02 101938Z

OF DRAFT LICENSING TEXTS. GROUP AGREED WITH U.S.
SUGGESTION TO FOCUS EFFORTS INITIALLY ON PRINCIPLE
ISSUES CONTAINED IN DRAFT TEXTS AND THEN MOVE TO
MORE TECHNICAL ASPECTS AS TIME PERMITTED.
2. AIL: U.S. DEL (WALLAR) INTRODUCED REVISED
POSITION ON AUTOMATIC IMPORT LICENSING (AIL) BY
NOTING THAT, AS A GENERAL PRINCIPLE, U.S. WOULD

PREFER NO AIL SYSTEMS BUT RECOGNIZES THAT SOME SITUATIONS
ARISE WHERE AIL ARE NECESSARY TO ACHIEVE CERTAIN
ADMINISTRATIVE OBJECTIVES. U.S. IS WILLING TO PROVIDE
FOR SUCH EXCEPTIONAL SITUATIONS WITH THE UNDERSTANDING
THAT AIL OUGHT TO BE REMOVED WHEN CIRCUMSTANCES
GIVING RISE TO ITS INTRODUCTION NO LONGER PREVAIL.
IN ADDITION THERE MUST BE PROVISION FOR A REVIEW
OF THE JUSTIFICATION FOR THE AIL. NORDICS (HAGFORS)
WELCOMED THE REVISED U.S. POSITION, BUT BELIEVE
THAT MORE EXAMPLES SHOULD BE INCLUDED OF CIRCUMSTANCES
GIVING RISE TO THE USE OF AIL. JAPAN (TAMORI)
AGREED WITH NORDICS AND CRITICIZED THE IMPLICATION
IN U.S. PROPOSAL THAT AIL SHOULD BE ONLY TEMPORARY.
U.S. AND CANADA (GORE) SAID THAT AIL SHOULD PRIMARILY
BE REGARDED AS TEMPORARY IN NATURE AND TO BE USED
IN SPECIAL CIRCUMSTANCES TO SURVEY IMPORT FLOWS.
U.S. SAID THAT AFTER A NUMBER OF BILATERAL CONSULTATIONS
AND EXTENSIVE RESEARCH WE HAD NOT FOUND OTHER REASONS
FOR AIL THAN THOSE INCLUDED IN THE U.S. DRAFT TEXT
AND CHALLENGED DELS TO PROVIDE ADDITIONAL EXAMPLES.
NORDIC AND JAPANESE CITED HEALTH AND SANITARY MEASURES
AS AN EXAMPLE, BUT U.S. CLAIMED THAT SUCH MEASURES WOULD
FALL UNDER THE LICENSING TO ADMINISTER IMPORT RESTRICTIONS
(LAIR) TEXT SINCE AN ELEMENT OF JUDGEMENT IS INVOLVED
IN GRANTING THE LICENSE. JAPAN AND EC (HEISLERS)
ASSERTED THAT IF THE LICENSE IS GRANTED AUTOMATICALLY
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 GENEVA 10445 01 OF 02 101938Z

THEN IT SHOULD BE CONSIDERED AN AIL. U.S. RETORTED
THAT SUCH AN INTERPRETATION PRODUCED ABSURD RESULTS,
E.G. PROCEDURES FOR IMPORTS SUBJECT TO QUOTAS WOULD
NOT FALL UNDER LAIR TEXT UNTIL THE QUOTA WERE FILLED
AND THE IMPORTS WERE BEING DENIED ENTRY.

3. SWISS (LEMPEN) INTERVENED SAYING THAT THE DEBATE
ON EXAMPLES PROVED FUTILITY OF TRYING TO PROVIDE AN
EXHAUSTIVE LIST. FURTHERMORE, SUCH EXAMPLES COULD
BE USED AS A PRETEXT FOR AIL NOT OTHERWISE JUSTIFIED.
THEREFORE, IN THEIR VIEW, IT IS BETTER TO CONCENTRATE
ON THE MODALITIES OF OPERATION OF AIL. SWISS THEREFORE
SUBMITTED THE FOLLOWING PROPOSAL:

QUOTE:

UNDER THE PROCEDURE OF AUTOMATIC IMPORT LICENSING,
LICENSES WILL BE GRANTED PROMPTLY THROUGH SIMPLE
FORMALITIES AND WILL NOT DISCOURAGE OR RESTRICT
IMPORTS. THE APPLICATION OF THIS PROCEDURE
IS JUSTIFIED ONLY AS LONG AS THE UNDERLYING ADMIN-
ISTRATIVE PURPOSES CAN NOT BE ACHIEVED IN A MORE

APPROPRIATE WAY. WHEN APPLYING AUTOMATIC LICENSING,
DUE ACCOUNT SHALL BE GIVEN TO THE PROBLEMS, WHICH
DEVELOPING COUNTRIES MAY FACE. SUCH SYSTEMS SHALL
BE SUBJECT TO THE FOLLOWING PROVISIONS.

UNQUOTE.

4. MOST DELS WERE NOT IN POSITION TO REACT TO SWISS
PROPOSAL. U.S. SAID THAT IT PREFERRED THE DEFINITION
IN PARA 1 OF AIL WHEREBY LICENSES ARE ISSUED AUTO-
MATICALLY. THE EXAMPELES, IN U.S. VIEW, ARE IMPOR-
TANT TO CONTAIN THE USE OF AIL. THEIR USE AS
PRETEXTS WOULD BE SAFEGUARDED AGAINST BY THE U.S. PROPOSED

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 GENEVA 10445 02 OF 02 101943Z
ACTION STR-07

INFO OCT-01 ARA-10 EUR-12 EA-10 IO-13 ISO-00 STRE-00
AGRE-00 CEA-01 CIAE-00 COME-00 DODE-00 EB-08
FRB-03 H-01 INR-10 INT-05 L-03 LAB-04 NSAE-00
NSC-05 PA-01 CTME-00 AID-05 SS-15 ITC-01 TRSE-00
ICA-11 SP-02 SOE-02 OMB-01 DOE-15 /146 W
-----076303 102031Z /75

P 101911Z JUL 78
FM USMISSION GENEVA
TO SECSTATE WASHDC PRIORITY 1849
INFO AMEMBASSY BERN
AMEMBASSY BRUSSELS
AMEMBASSY HELSINKI
AMEMBASSY MEXICO
AMEMBASSY OSLO
AMEMBASSY OTTAWA
AMEMBASSY STOCKHOLM
AMEMBASSY TOKYO

LIMITED OFFICIAL USE SECTION 02 OF 02 GENEVA 10445

USMTN, USEEC

STR FOR ACTION; STR PASS CODEL

REVIEW OF JUSTIFICATION FOR SUCH SYSTEMS.

5. MEXICAN DEL (ALVEREZ, FUENTES) INTRODUCED THEIR

TEXT REGARDING DEFINITIONS OF AIL AS WELL AS PARAGRAPH ON S&D PROPOSING THAT DC'S ELIMINATE AIL FOR LDC IMPORTS. MOST DELS REPEATED THEIR NEGATIVE REACTION AS REPORTED REFTEL.

6. LAIR: DISCUSSIONS FOCUSSED ON THE FIRST TWO PARAGRAPHS OF THE LAIR TEXT. ON PARAGRAPH REGARDING LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 GENEVA 10445 02 OF 02 101943Z

NON-DISCRIMINATION, U.S., JAPAN, CANADA, AND AUSTRALIA, SUPPORTED THE INCLUSION OF THIS PARAGRAPH AND NOTED THAT THE OBLIGATION REFERS TO THE PROCEDURES AND NOT TO THE RESTRICTIVE MEASURES THEMSELVES. EVEN IF THE MEASURE IS DISCRIMINATORY (E.G. BILATERAL QUOTA) THE PROCEDURES THEMSELVES SHOULD NOT BE DESIGNED OR OPERATED IN A DISCRIMINATORY MANNER. NORDICS SAID THAT THEY WERE WILLING TO ACCEPT THIS INTERPRETATION IF THE TERM "SYSTEM" WERE CHANGED TO "PROCEDURES". EC DEL SAID THAT THEY WOULD REFLECT ON THIS PROPOSED CHANGE.

7. THE MEXICANS REPEATED THEIR IDEAS FOR S&D (DC ELIMINATION OF LAIR) AND SAID THEY HOPED TO DISTRIBUTE A TEXT OF THEIR PROPOSAL EARLY NEXT WEEK.

8. DURING THE COURSE OF THE MEETING THE SWISS IDEA OF COMBINING THE TWO TEXTS WAS DISCUSSED BRIEFLY. U.S. DEL OFFERED PRELIMINARY VIEWS THAT SEVERAL PROVISIONS UNDER THE LAIR TEXT COULD BE APPLICABLE TO AIL AND VISE VERSA. FURTHERMORE, COMBINING THE TEXTS MIGHT ENSURE THAT ALL LICENSING SYSTEMS ARE SUBJECT TO SAME DISCIPLINE, WHILE SPECIFIC PROVISIONS COULD COVER UNIQUE ASPECTS OF AIL OR OTHER KINDS OF LICENWOXNG SYSTEMS.

9. FUTURE WORK: THE PARTICIPANTS NOTED THEIR HEAVY WORK SCHEDULE FOR THE FOLLOWING WEEK, BUT TENTATIVELY AGREED TO MEET THE AFTERNOON OF JULY 13. IN THE INTERIM DELS AGREED THAT THEY WOULD BE IN BILATERAL CONTACT TO SEE IF THEY COULD MAKE FURTHER PROGRESS ON THE DRAFT TEXTS.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 GENEVA 10445 02 OF 02 101943Z

10. COMMENT: THE SITUATION IN LICENSING IS FAR FROM CLEAR. SOME DELS HAVE NOT RECEIVED NEW INSTRUCTIONS

ON OLD TEXT AND ARE NOT IN A POSITION TO REACT TO
NEW PROPOSALS.

11. DRAFTED BY WALLAR. MCDONALD

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COMMITTEE MEETINGS, EXPORT LICENSES
Control Number: n/a
Copy: SINGLE
Draft Date: 10 jul 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978GENEVA10445
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780282-0603
Format: TEL
From: GENEVA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780780/aaaacpor.tel
Line Count: 228
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: a589e378-c288-dd11-92da-001cc4696bcc
Office: ACTION STR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 78 GENEVA 9353
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2072746
Secure: OPEN
Status: NATIVE
Subject: LICENSING PLURILATERAL - 6 JULY
TAGS: ETRD, MTN
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/a589e378-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014